

Global Project Strategy (011) (603) 767-0480

Strategic Projects fail because they are not strategic enough!

Why Strategic Projects Fail

Think about Circuit City or Radio Shack. In the case of Circuit City they were managed by bright people. The same is true of Radio Shack. But Circuit City is gone and from the evidence available today Radio shack is not far behind.

What does this have to do with project strategy? Probably quite a bit if you believe that the firms strategy is delivered through projects.

Consequently what is very reasonable to conclude is that the projects approved by Circuit City and those approved over the last few

years at Radio Shack were unable to reestablish these organizations within their competitive environments.

But with bright people holding management positions how can this happen? How can those who advise them and those who occupy the lower ranks of management, all missed the boat?

The simple answer is that mature organizations tend to create and approve less than imaginative projects. They do it, to minimize what they think are their risks. But in the process they ignore the

biggest risk of all which is slowly becoming irrelevant in a rapidly changing market, a market in which consumer behavior is changing, and a market in which competitors are eating their seed corn.

So they choose safe projects and ignore the risky ones. They choose to ignore the real challenges that markets and consumers eventually impose on their organizations.

Yes. they approved strategic projects to save them from competitors, but they chose the wrong strategic projects.

How TO Build Effective Global Project Relationships

This biggest challenge in executing a global project is working with people from different cultures. Many studies have shown that while there is variation within countries, behavior differences exist among countries as well. Sometimes these differences are not great; for example, the differences between the US and the EU. But often these differences are very significant.

The first lesson in creating an effective relationship between two global parties is to recognize that we all share one thing in

common; relationships. We all value relationships and better relationships achieve better outcomes and resolve more conflicts than do bad relationships.

One of my clients in Asia told the story of meeting with his client in the Middle East. It turned out that the client recently had been ill and had undergone a major surgical procedure. The client began the meeting by presenting his counterpart with herbal medicine that could help the client recover.

Needless to say, the client

was very grateful and it is reasonable to assume that the successful negotiations that followed had benefited from this personal gift.

Relationships imply a personal regard and recognition of the other person, and whatever can be done to establish a meaningful relationship can only help.

In international business and politics relationships make a big difference. Do your homework to discover how that relationship can be built

Global relationships must be built on genuine personal interests.